

Savings from the E-Sign Mad Dog (BC-FY01-26)

	per eNote	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	Total
DLO¹ <i>Await further validation for some numbers</i>							
Level 1-2 Schools							
GPO printing of Pnotes and R&R	?	\$0	?	?	?	?	\$0
Warehousing GPO-printed docs	?	?	?	?	?	?	\$0
Box prep & bulk shipping of Pnote and R&R	\$0.17	\$41,930.50	\$167,722.00	\$167,722.00	\$167,722.00	\$167,722.00	\$712,819
Level 3-5 Schools							
Print envelopes & Pnotes and postage	\$0.39	\$1,306.50	\$5,226.00	\$5,226.00	\$5,226.00	\$5,226.00	\$22,211
Pnote Processing							
Scan Pnotes	\$0.09	\$22,500	\$90,000	\$90,000	\$90,000	\$90,000	\$382,500
Track unreturned Pnotes/mail reminders	?	?	?	?	?	?	\$0
Requested hardcopies of e-signed Pnotes	(\$0.39)	?	?	?	?	?	\$0
PIN Authentication Services	(\$0.25)	(\$62,500)	(\$250,000)	(\$250,000)	(\$250,000)	(\$250,000)	(\$1,062,500)
eMPN website operations per year	?	?	?	?	?	?	\$0
e-Repository storage per year	\$0.014	3,500	14,000	14,000	14,000	14,000	\$59,500
Subtotal		\$6,737.00	\$26,948.00	\$26,948.00	\$26,948.00	\$26,948.00	\$114,529.00
75% e-signed Assumption Factor		\$5,052.75	\$20,211.00	\$20,211.00	\$20,211.00	\$20,211.00	\$85,896.75
DLS <i>Await further validation from DLS</i>							
Pnote retrieval, imaging and data entry	\$3.61	\$13,978	\$40,188	\$92,432	\$265,743	\$611,209	\$1,023,550
DLC²							
printing, mail handling, imaging, vault storage	\$0.56	\$84,000	\$89,880	\$96,172	\$102,903	\$110,106	\$483,061
DCS							
<i>Await further validation from DCS</i>	?	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0
CPS³							
Reissue SFA PINs	(\$1.00)	(\$25,000)	N/A	N/A	N/A	N/A	(\$25,000)
	(\$0.50)	N/A	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$200,000)
Subtotal		(\$25,000.00)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$225,000)
75% e-signed Assumption Factor		(\$18,750.00)	(\$37,500.00)	(\$37,500.00)	(\$37,500.00)	(\$37,500.00)	(\$168,750.00)
TOTAL SAVINGS		84,280.75	112,779.00	171,314.60	351,357.36	704,026.08	1,423,757.79
DLO/CPS eMPN volume assumptions (if all notes e-signed)							
		250,000	1,000,000	1,000,000	1,000,000	1,000,000	
DLS eMPN volume assumptions⁴							
		3,872	11,132	25,605	73,613	169,310	
DLC eNote assumptions (52% of DLC notes e-signed)							
		150,000	160,500	171,735	183,756	196,618	

¹ DLO may obtain future labor savings via contract renegotiations. Level 1-2 School account for 98.66% of DL MPNs.

² DLC already saves \$0.99 per note every time a borrower uses an on-line application. An increase in loan consolidations due to favorable interest rates may increase the estimated eNote volumes.

³ CPS estimates 10% of e-signed eMPNs will result in PIN reissuances at \$1 per PIN for low volumes and \$.50 per PIN for high volumes

⁴ DLS eMPN volume assumptions based on Pnote requests growing 15% each year and a variable percentage being eMPNs